

LUKAS, NACE, GUTIERREZ & SACHS

CHARTERED

1111 NINETEENTH STREET, N.W.
SUITE 1200
WASHINGTON, DC 20036
(202) 857-3500

WRITER'S DIRECT DIAL
DAL: (202) 828-9475
SMC: (202) 828-8430

February 9, 2004

VIA ELECTRONIC FILING

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Room TW-B204
Washington, DC 20554

**Re: Federal-State Joint Board on Universal Service
CC Docket No. 96-45**

Dear Madam Secretary:

In accordance with Section 1.1206 of the Commission's rules, 47 C.F.R. § 1.1206, we hereby provide you with notice of an oral *ex parte* presentation in connection with the above-captioned proceeding.

On Friday, February 6, 2004, undersigned counsel, on behalf of Smith Bagley, Inc. ("SBI") met with Christopher Libertelli and Trey Hanbury of Commissioner Michael K. Powell's office, to discuss universal service policies affecting the Eastern Agency of the Navajo Nation in New Mexico and the status of SBI's petition for designation as an eligible telecommunications carrier ("ETC") in the portion of the Navajo Reservation located in Utah. Patrick Sandoval, Chief of Staff to Navajo Nation President Joe Shirley Jr., joined the meeting via teleconference.

Mr. Sandoval requested that the Commission take action to remedy the lack of basic telecommunications infrastructure in the Eastern Agency, a severely isolated and impoverished region that has long been considered by the Navajo Nation to be part of their tribal lands. Mr. Sandoval stated that, in spite of the desperate need for Tier 4 Lifeline and Link-Up support in the Eastern Agency, such support is not available in that area because it is not included within the Commission's definition of "reservation". Mr. Sandoval also expressed support for SBI's request for ETC status in the Navajo Reservation in Utah, which has been pending since May 2002. Mr. Sandoval and counsel for SBI asked that the petition be acted upon without further delay.

If you have any questions or require any additional information, please contact undersigned counsel directly.

Marlene H. Dortch
February 9, 2004
Page 2

Sincerely,

/s/ David A. LaFuria

David A. LaFuria
Steven M. Chernoff

cc: Christopher Libertelli, Esq.
Trey Hanbury, Esq.